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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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Colleen George

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20350 7590 12/26/2006  
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EXAMINER

BAYAT, BRADLEY B

ART UNIT

PAPER NUMBER

3621

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
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3 MONTHS

12/26/2006

PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

<b>Office Action Summary</b>	<b>Application No.</b> 10/079,927	<b>Applicant(s)</b> GEORGE ET AL.	
	<b>Examiner</b> Bradley B. Bayat	<b>Art Unit</b> 3621	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

#### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) ☒ Responsive to communication(s) filed on 14 September 2006.
- 2a) ☒ This action is **FINAL**.                      2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) ☒ Claim(s) 1,4,6-14,19 and 21-30 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1,4, 6-14,19 and 21-30 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- |   |   |
|---|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)  | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)  | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date <u>5/8/2006</u> . | 6) <input type="checkbox"/> Other: _____  |

## **DETAILED ACTION**

### **Status of Claims**

This communication acknowledges applicant's petition to withdraw abandonment of application granted on 9/14/06. Applicant's amendment and remarks filed on 8/22/05 have been entered. Accordingly, claims 2,3,5,15-18 and 20 were canceled without prejudice and claims 1, 4, 6-9, 12, 13, 19, 21, 22, and 25-30 amended. Thus, claims 1, 4, 6-14, 19 and 21-30 remain pending.

### ***Oath/Declaration***

A duplicate copy of the declaration filed on August 22, 2005 is acknowledged.

### ***Information Disclosure Statement***

The information disclosure statement (IDS) submitted on May 8, 2006 is in compliance with the provisions of 37 CFR 1.97 and therefore considered by the examiner.

### ***Response to Amendment***

The amendment is objected to under 35 U.S.C. 132(a) because it introduces new matter into the disclosure. 35 U.S.C. 132(a) states that no amendment shall introduce new matter into the disclosure of the invention. The added material which is not supported by the original disclosure is as follows:

- ...augmentation amount...
- ...backing out of the loyalty process...
- ...decrementing the stored point total...
- ...denial of the transaction instruction...

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Applicant must point to the disclosure by page and line number with regards to each of the above-mentioned amendments. The examiner was unable to find support after reviewing the specification. Otherwise, applicant is required to cancel the new matter in the reply to this Office Action.

### ***Response to Arguments***

Applicant's arguments filed have been fully considered but they are not persuasive. As per claims 1 and 19, applicant contends that the cited reference fails to show the amended feature of "backing out" by decrementing a stored point total for a customer (response p. 11-12). The reference discloses the reduction of loyalty points under various criteria (§§ 11, 52, 69, 73) and therefore anticipates applicant's contentious feature.

As per claims 6, 22 and 25, applicant argues that the claimed invention is applicable for different merchants and that the reference fails to anticipate such feature (response p. 12). On the contrary, Chien discloses that the loyalty host system is applicable for one merchant or group (network) of merchants or a corresponding transaction (§§ 9-13, 33, 50, 66-68).

### ***Claim Rejections - 35 USC § 112***

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 1, 6, 19, 22 and 25 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

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It is unclear after reviewing the specification and in view of the claimed subject matter, what applicant regards as the “augmentation amount” and “backing out” in the above noted claims.

***Claim Rejections - 35 USC § 102***

The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.

**Claims 1, 4, 6-14, 19 and 21-30 are rejected under 35 U.S.C. 102(e) as being anticipated by Chien et al. (hereinafter Chien), US Patent Application Publication 2001/0054003 A1.**

As per the following claims Chien discloses:

1. A method for operating a loyalty program integrated with a financial infrastructure, the method comprising:

- Receiving, at a loyalty host system, a transaction instruction initiated by a customer at a merchant point-of-sale device disposed at a merchant point of sale (§8, 29);
- Determining, with the loyalty host system, whether the customer and merchant are participants in the loyalty program (§8, 9);
- Executing, with the loyalty host system, a loyalty process in accordance with the loyalty program **if** the customer and merchant are participants, wherein the loyalty process includes augmenting a stored point total for the customer by an augmentation amount in accordance with the application of administration criteria

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to the transaction instruction (§10-11, see note below regarding conditional language);

- Transmitting, with the loyalty host system, the transaction instruction to the financial infrastructure with a request for approval of the transaction instruction (§12, 35, 54);
- Receiving, with the loyalty host system, a denial of the transaction instruction from the financial infrastructure (§72);
- Backing out of the loyalty process, with the loyalty host system, by decrementing the stored point total for the customer by the augmentation amount after receiving the denial of the transaction instruction (§11, 52, 69, 73); and
- Transmitting, with the loyalty host system, the denial of the transaction instruction to the merchant point-of-sale device (§72).

2. Canceled.

3. Canceled.

4. The method recited in claim 1 wherein executing the loyalty process comprises transmitting an instruction to the merchant to provide a reward to the customer immediately at the point of sale in accordance with the loyalty program (§33-34).

5. Canceled.

6. A method for operating a loyalty system, the method comprising:

- Maintaining, at a loyalty host system, administration criteria for each of a plurality of distinct loyalty programs comprised by the loyalty system (§28, 34);
- receiving transaction information at the loyalty host system from a merchant point-of-sale device disposed at a merchant point of sale, for a transaction between a customer and a first merchant enrolled in at least one of the loyalty programs (§9-10);
- augmenting, with the loyalty host system, a point total for the customer in accordance with the transaction information and with the administration criteria for the at least one of the loyalty programs (§11, 52, 69);
- transmitting, with the loyalty host system, the transaction information to a financial infrastructure with a request for approval for approval of the transaction (§12, 35, 54);
- receiving, with the loyalty host system, an approval of the transaction from the financial infrastructure (§72); and
- transmitting, with the loyalty host system, the approval of the transaction to the point-of-sale device, wherein the augmented point total is available to be applied by the customer towards a reward from a second merchant enrolled in the at least one of the loyalty programs substantially immediately after execution of the transaction, the second merchant being different from the first merchant (§29, 41, 52-54, 69).

7. The method recited in claim 6 wherein the transaction information identifies an issuer of an instrument used by the customer to participate in the at least one of the loyalty programs (§49-50).

8. The method recited in claim 7 wherein the first and second merchants assign different values to the point total, the method further comprising performing point-settlement functions among the merchants with the loyalty host system (§65-66).

9. The method recited in claim 7 further comprising providing a report regarding point status to the issuer with the loyalty host system (§33).

10. The method recited in claim 7 wherein the instrument comprises a magnetic-stripe card (§30).

11. The method recited in claim 7 wherein the instrument comprises a chip card (§30).

12. The method recited in claim 6 further comprising transmitting an instruction from the loyalty host system to the second merchant to provide the reward in response to receiving the transaction information for the transaction between the customer and the first merchant (§29, 52-54, 58).

13. The method recited in claim 6 further comprising providing details of the customer's status



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within the at least one of the loyalty programs to the customer with the loyalty host syetm (figure 7, loyalty account balance status after transaction).

14. The method recited in claim 13 wherein the details are provided over the internet (§41).

15. Canceled.

16. Canceled.

17. Canceled.

18. Canceled.

Claims 19 and 21-30 are directed a to computer readable storage medium and program of the above method claim and are therefore rejected as above.

Claims 1 and 19 include optional conditional language “if” in the claim language which does not require the step to be performed. Applicant(s) are reminded that optional or conditional elements do not narrow the claims because they can always be omitted. See *e.g.* MPEP §2106 II C: “Language that suggest or makes optional but does not require steps to be performed or does not limit a claim to a particular structure does not limit the scope of a claim or claim limitation. [Emphasis in original.]”; and *In re Johnston*, 435 F.3d 1381, 77 USPQ2d 1788, 1790 (Fed. Cir.

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2006) ("As a matter of linguistic precision, optional elements do not narrow the claim because they can always be omitted."). Accordingly, the examiner has not accorded much patentable weight to the above noted steps.

*Examiner has pointed out particular references contained in the prior arts of record in the body of this action for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested from the applicant, in preparing the response, to consider fully the entire references as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior arts or disclosed by the examiner.*

### **Conclusion**

**THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

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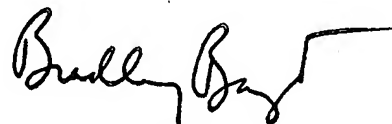
The prior art made of record and not relied upon is considered pertinent to applicant's disclosure:

- US Patent Application Publication 2003/0182247 A1 by Mobed et al.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Bradley B. Bayat whose telephone number is 571-272-6704. The examiner can normally be reached on Tuesday-Friday 8 a.m.-6:30 p.m..

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Andrew Fischer can be reached on 571-272-6779. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.



Bradley B. Bayat  
Primary Examiner  
Art Unit 3621